

MICHIGAN ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Overview

Michigan did not offer incentives for alternative fuel vehicles (AFVs) at the time of publication. However, several bills proposed to the legislature, and expected to pass in the Spring of 1996, would provide incentives for AFVs.

Several utilities are providing incentives for AFVs, including \$300 and \$500 rebates from Consumers Power Co. for bi-fuel and dedicated AFVs.

Highlights

\$ \$500 rebate for a dedicated natural gas vehicle (NGV), and \$300 rebate for a bi-fuel vehicle from Consumers Power Co.

State Incentives

Michigan did not have incentives for AFVs at the time of publication. However, several bills proposed to the legislature, would provide incentives for AFVs. Measures under consideration include: a sales tax exemption for the incremental cost of purchasing an AFV, a property tax exemption for AFV refueling stations, an income tax credit up to \$1,500 on the incremental cost of an AFV, and a one-time Single Business Tax Credit on the incremental cost of AFVs. These measures will be considered by the legislative committee in November or December of 1995, and are expected to pass by the Spring of 1996. For more information, contact Jan Patrick at the Michigan Public Service Commission, at (517) 334-6262.

Utility/Private Incentives

\$ **Consumers Power Co.** offers incentives of \$300/bi-fuel vehicle and \$500/dedicated NGV vehicle. For additional information, contact Vance Anderson at (517) 788-2251.

Michigan Consolidated Gas Co. offers 8 public refueling stations. Contact Rob Bacyinski at (313) 256-5121 for more information.

The National Ethanol Vehicle Coalition (NEVC) is part of a joint public/private partnership to promote 85% ethanol (E85) as an alternative transportation fuel. Through a pilot grant from the U.S. Department of Energy, NEVC provides forgivable loans for the installation of public E85 refueling facilities. For additional information, contact Phil Lambert at (314) 635-8445.

Laws & Regulations

In 1993, the Michigan Public Service Commission approved a settlement agreement that established an Experimental Transportation Service Natural Gas Vehicle Refueling Rate. An experimental tariff on the transportation of natural gas for fueling vehicles includes a \$950/month discount from the regular tariff. The tariff expires December 31, 1996.

The Michigan Public Service Commission has ruled that the sale of natural gas as a vehicular fuel does not come under its jurisdiction.

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Points of Contact

Michigan State Energy Office

Michigan Public Service Commission
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Consumers Power Co.

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Michigan Consolidated Gas Co.

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National Ethanol Vehicle Coalition

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Metropolitan Planning Organizations

Southeast Michigan Council of Governments

Chuck Hersy (313) 961-4266

West Michigan Shoreline Regional Development Commission

Jim Koens (616) 722-7878

Grand Valley Metropolitan Council

Abed Itani (616) 776-3876

Michigan State Transportation Contact

Department of Transportation
Lewis Lambert (517) 373-0343

U.S. Department of Energy

Regional Support Office

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U.S. Department of Transportation Contacts

Federal Highway Administration

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Federal Transit Administration

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